

Joint Labor-Management Benefits Committee (JLMBC) COMMITTEE REPORT 18-61

Date: December 6, 2018

To: JLMBC

From: Staff

Subject: **2018 Open Enrollment Implementation for Plan Year 2019**

JLMBC MEMBERS

Management

Wendy G. Macy, Chairperson

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Employee Organizations

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RECOMMENDATION

That the JLMBC receive and file staff report regarding implementation of the October 2018 Open Enrollment activities for Plan Year 2019.

DISCUSSION

At its August 2, 2018 meeting, the JLMBC received a report regarding the 2018 Open Enrollment communications campaign for Plan Year 2019, including an overview of communication elements and content. This report provides an update regarding the implementation of the communications campaign and the administrative and recordkeeping activities that were executed for Plan Year 2019.

I. 2018 OPEN ENROLLMENT ACTIVITIES FOR PLAN YEAR 2019

OPEN ENROLLMENT PROCESS

The 2018 Open Enrollment period for Plan Year 2019 began on Monday, October 1, 2018 and ended on Wednesday, October 31, 2018. At any time during the Open Enrollment period, employees were able to log into their account online via the Mercer Benefits Central (MBC) web portal, 24 hours a day seven days a week, to review their personal 2019 benefit options and costs and make elections. Several enhancements made to the MBC web portal last year, including the ability for (1) employees newly hired from September through December to make both their new hire elections and Open Enrollment elections in the same transaction (previously, these employees were required to wait 24 hours before logging back into the web portal to make their Open Enrollment elections) and (2) employees to make changes and/or corrections to their elections through the web portal during the correction window from November 1 to November 21, 2018 (previously, employees could only make corrections by calling the Benefits Service Center and speaking with a customer service representative), were also made available this year to improve web user experience and encourage employees to use the web over the call center.

Besides the MBC web portal, employees were also able to make changes and/or enroll in new plans by calling the Benefits Service Center Monday through Friday from 8:00 am to 5:00 pm. On the last two business days of the Open Enrollment period, Service Center hours were extended to 7:00 pm. Dedicated customer service representatives and overflow representatives were available to answer calls

during this time period. While staff encouraged early enrollment by sending email reminders, call volume during this time period continued to be high and these employees were advised to use the web option, or were instructed to make their corrections after Open Enrollment, during the correction period, if they could not utilize the web option. Moving forward into 2019, staff has begun discussions with the City's new benefits Third-Party Administrator (TPA) Morneau Shepell (Morneau) to identify options to improve high call volumes during the last two days of Open Enrollment and to develop strategies to encourage early enrollment.

OPEN ENROLLMENT STATISTICS

Enrollment activity through the MBC web portal and Benefits Service Center during this year's Open Enrollment period compared to the prior year is provided below.

Enrollment Type*	2017	2018	Percent Change
Distinct Web Enrollments	6,456	5,665	-12.3%
Distinct Service Center Enrollments	1,611	1,638	+1.7%
Total Distinct Enrollments	8,067	7,303	-9.5%

*Represents data through November 1 of each year. These figures will be adjusted based on changes that occur during the correction period.

The figures shown in the chart above represent distinct enrollment events. An employee may make several election changes during the Open Enrollment period by logging on to the MBC web portal and/or by calling the Benefits Service Center. Regardless of the number of changes made by an employee, the total number of distinct enrollments in the chart above represents the number of employees making a unique election during the Open Enrollment period. Compared to 2017, there was a decrease of 764 in total distinct enrollments or -9.5%. Many factors may collectively contribute to the decreased activity, including the stability of the LAwell Program benefit menu in Plan Year 2019. The decrease in the number of distinct enrollments was also accompanied by a decrease in the number of employees participating in Open Enrollment webinars/lunchtime seminars as described in further detail on page 3.

The remaining employees who did not make an active enrollment were automatically re-enrolled into their benefits elections from the prior year (i.e. passive enrollment) at the new 2019 benefits costs. Final enrollment information is not yet available, but staff can provide preliminary health plan enrollment based on data received from Mercer TPA as of November 16, 2018. The chart below provides a snapshot of tentative 2019 health plan enrollment compared to enrollment totals from January 2018.

Health Plan	Number of 2018 Enrollees*	Number of 2019 Enrollees**	Numerical Change from 2018	Percent Change from 2018
Anthem Narrow Network HMO	6,367	5,575	-792	-12.4%
Anthem Full Network HMO	100	100	0	0.0%
Anthem Vivity HMO	1,291	1,493	202	15.6%
Anthem PPO	2,524	2,469	-55	-2.2%
Kaiser HMO	14,455	15,266	811	5.6%
Cash-in-Lieu	1,394	1,401	7	0.5%

*Represents data from Mercer 2018 Open Enrollment Debrief report dated February 12, 2018.

**Numbers are preliminary based on enrollment data as of November 16 and is still subject to administrative processing, including receipt and verification of any required documentation to retain benefits elections.

II. 2018 OPEN ENROLLMENT FOR PLAN YEAR 2019 COMMUNICATIONS AND OUTREACH

At its March 22, 2018 meeting, the JLMBC approved a proposed Benefits Communications Survey including an invitation for members to participate in focus groups where greater feedback on communications, including Open Enrollment communications, could be obtained. The results of the survey identified that a majority of members were interested in more educational material options at a higher frequency and through enhanced access options. As a result, for Open Enrollment 2018 (Plan Year 2019), staff significantly expanded its outreach efforts by (1) providing a departmental human resources liaison debrief/webinar for communicating Open Enrollment activities; (2) increasing the number of lunchtime webinars/seminars offered including two night time sessions and providing these sessions as a joint webinar/seminar with a repeat session immediately following the first session to accommodate employee lunch periods; and (3) providing on-site consultation services from Benefits Division staff and health plan member advocates. However, despite these efforts, attendance at the lunchtime webinars/seminars decreased about 44% from the prior year as detailed in the chart below.

Date	Webinar/Seminar Topic and Location	Attendees
Open Enrollment 2018 (Plan Year 2019)		
Monday, 10/1/18	Employment Actions Webinar for HR Staff	13
Tuesday, 10/2/18	Employment Actions Webinar for HR Staff	21
Wednesday, 10/3/18	Benefits Onsite – Marvin Braude Building	21
Thursday, 10/4/18	Benefits Onsite – Garland Building	73
Thursday, 10/4/18	Vision Benefits Webinar/Seminar (two sessions: 11:30 am & 12:45 pm) – Garland Building	37
Wednesday, 10/10/18	Benefits Onsite – Public Works Building	48
Thursday, 10/11/18	Employee Assistance Program Webinar/Seminar (two sessions: 11:30 am & 12:45 pm) – City Hall East	104
Tuesday, 10/16/18	Benefits Overview Webinar/Seminar (one session: 5:00 pm) – City Hall East	41
Thursday, 10/18/18	Benefits Onsite – Harbor Department	16
Thursday, 10/18/18	Anthem PPO Benefits Webinar/Seminar (two sessions: 11:30 am & 12:45 pm) – Harbor Department	79
Tuesday, 10/23/18	Benefits Onsite – Los Angeles World Airports	39
Tuesday, 10/23/18	Benefits Overview Webinar/Seminar (two sessions: 12:15 pm & 6:00 pm) – Los Angeles World Airports	89
Thursday, 10/25/18	Benefits Onsite – Figueroa Plaza	51
Thursday, 10/25/18	Dental Benefits Webinar/Seminar (two sessions: 11:30 am & 12:45 pm) – Figueroa Plaza	100
Tuesday, 10/30/18	Benefits Overview Webinar/Seminar (two sessions: 11:30 am & 12:45 pm) – City Hall East	81
Total Attendees 2018		813
Open Enrollment 2017 (Plan Year 2018)		
Wednesday, 9/27/17	Webinar – Health Plans 101	309
Thursday, 9/28/17	Seminar (City Hall) – Vision Plans 101	55
Wednesday, 10/4/17	Webinar – Dental Plans 101	332
Thursday, 10/5/17	Seminar (City Hall) – Anthem Plans	59
Thursday, 10/5/17 7:00 pm night session	Seminar (City Hall East) – Benefits Overview	22

Wednesday, 10/11/17	Webinar – Insurance Plans 101	232
Wednesday, 10/18/17	Webinar – Vision Plans 101	327
Wednesday, 10/25/17	Webinar – Managing Dependents	63
Thursday, 10/26/17	Seminar (City Hall) – Health Plans 101	47
Total Attendees 2017		1,446

Although staff increased the frequency of its outreach efforts in response to the survey results, the reception of those efforts was mixed. A decrease in attendance from the prior year could be attributed to a number of factors, including increased employee awareness of their benefits options, employee payroll contributions remaining relatively the same from the prior year, the absence of any major benefit changes in Plan Year 2019, and the general reduction of healthcare-focused discussions through mainstream media or on the political stage. Staff will continue to work with benefits communications consultant, Segal to further refine the Open Enrollment communications campaign to deliver effective and coordinated benefits messaging that will increase employee engagement, awareness, and satisfaction.

III. ONGOING IMPLEMENTATION ACTIVITIES

While Open Enrollment has concluded, staff is working actively to close out the administrative and recordkeeping activities necessary to process employee benefits elections for Plan Year 2019. These activities include collecting relevant supporting documentation from employees (e.g. birth and marriage certificates for newly added dependents), processing corrections, and all other administrative tasks required to finalize employee elections and successfully communicate those elections to the City’s benefits service providers and the City’s payroll system. Staff also undertook additional efforts to communicate with employees about any follow-up actions required to finalize their benefits elections. These efforts are further detailed below.

Targeted Reminder Communications

During Open Enrollment, employees who added new dependents and/or elected benefits that require submission of supporting documentation (such as birth and marriage certificates or Cash-in-Lieu and/or Domestic Partner affidavits) are notified at the time of election, and then again when they receive their confirmation statement that they are required to submit these documents to the Personnel Department, Employee Benefits Division. Failure to submit this required documentation by the deadline of December 10, 2018 will result in the termination of the applicable benefit election, or newly added dependent, before the change is scheduled to take effect on January 1, 2019.

In an effort to prevent a large number of terminations, staff sent additional reminder communications to employees who still had dependent verification documentation and/or affidavit documents outstanding. This communication was in addition to the confirmation statement that the employee received reminding them to also submit this documentation prior to the deadline or their benefit election and/or newly added dependent would be terminated from coverage. The following details the additional communication actions undertaken by staff to address this specific group of employees.

- On November 12, Open Enrollment confirmation statements were mailed to all employees.
- On November 16, staff mailed 671 individual letters to employees who still had an outstanding documentation requirement.

In preparation for next year's Open Enrollment period, staff has begun discussions with new benefits TPA, Morneau to fully utilize their capability to send various types of reminders and notices via email to targeted groups of employees. While reminder notifications will continue to be sent via mail to those employees who choose not to opt out of electronic communications, this automated process of triggering and sending reminder notifications is a valuable tool that staff will now be able to use to assist employees in submitting supporting documentation timely thereby helping to reduce the number of terminations from coverage due to non-submission of documentation.

IV. CONCLUSION

This year's Open Enrollment activities focused on active member engagement. Staff considerably increased the number of lunchtime webinars/seminars offered during Open Enrollment and also visited several departments to provide a personalized resource for employees to learn more about their benefits options, ask questions, and submit supporting documentation to complete their benefits elections. Overall, despite the lower turnout as compared to the prior year, staff received positive feedback from employees who did attend that the webinars/seminars were very informative in helping them to understand not only the benefits offered but also how to utilize those benefits effectively. Staff will work to build on the success of this year's Open Enrollment period moving forward and will consider these campaign results in the development of a long-term communications plan to enhance the LAwell Program's overall communications efforts. Staff anticipates presenting the long-term communications plan to the Committee in the first quarter of 2019.

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